

P.O. Box 690, Jefferson City, Mo. 65102-0690

## ORDER OF DIRECTOR DEPARTMENT OF INSURANCE

After consideration and review of the Missouri market conduct examination report of Federated Insurance Companies, including Federated Mutual Insurance Company and Federated Service Insurance Company, (hereafter collectively referred to as "the Companies"), Missouri Market Conduct Examination report number 0506-14-TGT, I, W. Dale Finke, Director, Missouri Department of Insurance, pursuant to §374.205.3(3)(a), RSMo, do hereby adopt such report as filed.

After my consideration and review of such report, relevant workpapers, and any written submissions or rebuttals, the findings and conclusions of such report are deemed to be my findings and conclusions accompanying this order pursuant to §374.205.3(4), RSMo.

The Companies are hereby ORDERED to CURE the violations of law, regulations or prior orders revealed in such report and to take remedial action bringing the Companies into compliance with the statutes and regulations of the State of Missouri and to maintain those corrective actions at all times, including, but not limited to, taking such action as is necessary to assure that all experience and schedule modifications are correctly documented and applied to all of the Companies' issued policies.

| So adopted, found, concluded and ordered on | this of      | June | , 2006. |
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|   | W. Dalot. S. | )    |         |

W. Dale Finke, Director Department of Insurance State of Missouri